

Fair Political Practices Commission

Memorandum

To: Chairman Randolph, Commissioners Blair, Downey, Karlan, and Knox

From: Mark Krausse, Executive Director

Subject: Legislative Report

Date: March 4, 2004

Seventeen new bills amending the Political Reform Act (PRA) were introduced as of the February 20th deadline. Of particular interest are AB 1980 (Wolk), which proposes contribution limits for candidate-controlled ballot measure committees, and AB 2842 (Leno) and SB 1449 (Johnson), separate approaches to repealing the bank-loan exception to the \$100,000 personal loan limit from Proposition 34. I will provide analyses on some of these new bills at the April and May meetings.

<i>For Review</i>	Bills Amending the PRA		
Bill No.	Author	Title	Introduced/Amended

AB 1784 Wolk Lobbyists: conflicts with statewide officers Amended 2-18-04

This bill prohibits a lobbyist from contacting an elected state officer, other than a legislator, with whom the lobbyist has or had a contractual or business relationship, for the purpose of influencing legislative or administrative action. The bill defines contractual and business relationships and requires lobbyists to notify the Secretary of State within 14 days of a contractual or business relationship with an elected state officer. AB 1784 also requires that candidates report a contract or agreement that includes a payment contingent upon the candidate's election to office. **Urgency Clause. In Senate - awaiting hearing by Elections Committee. Staff seeks amendments to the bill to include language related to contingency fees, reimbursement of litigation costs, and other unfunded costs. Analysis attached.**

AB 1785 Frommer Lobbyists: conflicts with legislators Amended 2-18-04

This bill prohibits a lobbyist from contacting a legislator with whom the lobbyist has or had a contractual or business relationship, for the purpose of influencing legislative or administrative action. The bill defines contractual and business relationships, and requires lobbyists to notify the Secretary of State within 14 days of a contractual or business relationship with an elected state officer. **In Senate - awaiting hearing by Elections Committee. Staff seeks amendments related to reimbursement of litigation costs and other unfunded costs. Analysis attached.**

<i>Informational Items</i>	Newly Introduced Bills Amending the PRA, Elections Code		
Bill No.	Author	Title	Introduced/Amended

AB 1980 Wolk Ballot Measure Trustees: Prohibited expenditures 2-12-04

Limits contributions to a ballot measure committee controlled by a candidate for elective state office to \$21,200. Requires that expenditures by a candidate-controlled ballot measure committee for communications clearly identifying the controlling candidate be made from the portion of a contribution that does not exceed the limit applicable to the controlling candidate. Elections Code amendment provides that expenditures by a candidate-controlled ballot measure committee in support of the candidate controlling that committee, or in opposition to that candidate's opponent, are not within the lawful purposes of the trust. **In Assembly Elections. May be heard in committee after 3-13-04.**

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<i>Informational Items</i>		Newly Introduced Bills Amending the PRA, Elections Code (cont'd)	
Bill No.	Author	Title	Introduced/Amended
AB 2091	Longville	Revolving door ("spot" bill)	2-17-04
Placeholder measure that deletes obsolete provisions of the post-government employment restrictions. In Assembly Elections committee. May be heard in committee after 3-18-04.			
AB 2818	Pacheco	Disqualifying contributions	2-20-04
Defines "agency" for purposes of certain prohibitions and disclosure obligations relating to campaign contributions of more than \$250 to an officer of an agency from any party or participant in a pending proceeding of the agency involving a license, permit, or other entitlement for use. This bill would exclude from the application of these provisions, by redefining "agency," any person who is a member of a specified exempt agency but who is acting as a voting member of another agency. In Assembly. May be heard in committee after March 22.			
AB 2842	Leno	Contribution limits	2-20-04
Provides that bank loans are not exempt from the \$100,000 personal loan limit imposed on elective state office candidates by Proposition 34. Would double, triple, or lift a legislative candidate's contribution limits based on the amount by which personal funds contributed by an opposing candidate to his or her own campaign exceed the total amount of campaign contributions raised by the candidate. In Assembly. May be heard in committee after March 22.			
AB 2888	Strickland	Contribution limits ("spot" bill)	2-20-04
Placeholder measure that makes technical, nonsubstantive changes to the contribution limit provisions. In Assembly. May be heard in committee after March 22.			
AB 2931	Koretz	Mandatory Campaign Spending Limits ("spot" bill)	2-20-04
Placeholder measure that expresses the intent of the Legislature to enact legislation that would impose mandatory limits on campaign spending. In Assembly. May be heard in committee after March 22.			
AB 2936	Longville	Online and electronic disclosure ("spot" bill)	2-20-04
Placeholder measure that deletes obsolete references to the Department of Information Technology. In Assembly. May be heard in committee after March 22.			
AB 2949	Hancock	California Clean Money and Clean Elections Act	2-20-04
Repeals a provision prohibiting public officers from expending or accepting public funds for purposes of seeking elective office, and enacts the California Clean Money and Clean Elections Act of 2004, which would authorize eligible candidates, as defined, to obtain public funds according to specified procedures and requirements, provided that certain thresholds are attained. In Assembly. May be heard in committee after March 22.			

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<i>Informational Items</i>		Newly Introduced Bills Amending the PRA, Elections Code (cont'd)	
Bill No.	Author	Title	Introduced/Amended
AB 3006	Haynes	Campaign Contributions	2-20-04
Prohibits members of the Legislature and constitutional officers from accepting contributions during the period between the annual submission of the Governor's Budget and the enactment of the state budget. In Assembly. May be heard in committee after March 22.			
SB 1340	Perata	Campaign Disclosure	2-18-04
Commission-sponsored measure that would, in addition to other changes, require filing officers for independent expenditure committees to maintain paper independent expenditure reports under the name of the candidate or measure supported or opposed by the independent expenditure. In Senate. May be acted upon on or after March 20.			
SB 1351	Soto	Local officials: Conflicts of interest	2-18-04
Prohibits former elected or appointed city and county officials who held a position with a local government agency from appearing before or communicating with that agency if the appearance or communication is made for the purpose of influencing regulatory action. In Senate. May be acted upon on or after March 20.			
SB 1353	Perata	Political party committees	2-18-04
Commission-sponsored measure that would, in addition to other changes, revise the definition of state general purpose committees to include a political party committee. In Senate. May be acted upon on or after March 20.			
SB 1449	Johnson	Campaign Loans	2-19-04
Prohibits a candidate from loaning more than \$100,000 to his or her elective state office campaign. In Senate. May be acted upon on or after March 21.			
SB 1458	Johnson	Public moneys ("spot" bill)	2-19-04
Placeholder measure amending the section prohibiting public officers and candidates from expending or accepting public funds. In Senate. May be acted upon on or after March 21.			
SB 1653	Johnson	Conflicts of interest ("spot" bill)	2-20-04
Placeholder measure amending conflict of interest provisions. In Senate Rules. May be acted upon on or after March 23.			
SB 1712	Alpert	Online campaign disclosure	2-20-04
Requires the Secretary of State's office to review current filing and disclosure requirements of the Online Disclosure Act of 1997 and report to the Legislature, no later than June 1, 2005, its recommendations on revising requirements so as to promote greater reliance on electronic and online submissions. In Senate Rules. May be acted upon on or after March 23.			

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Informational Items Newly Introduced Bills Amending the PRA, Elections Code (cont'd)			
Bill No.	Author	Title	Introduced/Amended

SB 1730 Johnson Primary Elections 2-20-04

Changes the statewide direct primary election from being held on the first Tuesday in March in each even-numbered year, to being held on the last Tuesday in June of each year. **In Senate Rules. May be acted upon on or after March 23.**

SB 1849 Karnette Election cycle 2-20-04

Changes the definition of “election cycle” for the purposes of online disclosure from the period of time commencing 90 days prior to an election and ending on the date of the election, to the time commencing with the filing of a committee’s statement of organization. Also requires lobbying firm and lobbyist employer reports that are currently filed quarterly to be filed monthly. **In Senate. May be acted upon on or after March 22.**

Informational Items — Two-year Bills Amending the PRA			
Bill No.	Author	Title	Introduced/Amended

AB 890 Wesson Last-term member fundraising Amended 8/28/03

This bill was a recent “gut and amend” to allow an elected state officer serving his or her last permitted term of office to accept contributions after the date of the election. It is similar to SB 467 (Johnson), except that the Johnson bill would impose Proposition 34’s contribution limits on any post-election fundraising. This bill would do so only for committees formed for post-Proposition 34 elections.

Urgency clause. In Senate Elections and Reapportionment. Commission Position: Oppose unless amended/Support if amended.

AB 1197 Wiggins School Officials: Conflicts of Interest Amended 8/28/03

Includes in the definition of “designated employee” any board member, chief business officer, superintendent, assistant superintendent, deputy superintendent, associate superintendent, chief personnel officer, and general counsel of a public school district or county office of education, and equivalent positions, and any individual having governance or management responsibility in a charter school. The bill would designate the county board of education as the code reviewing body for charter schools. **Reconsideration granted. To Senate Inactive File.**

SB 604 Perata Cumulative contributions Amended 2/5/04

Defines “cumulative contributions” to be those contributions received beginning 12 months prior to the date the committee made its first expenditure to qualify, support, or oppose the measure and ending within seven days of the time the advertisement is sent to the printer or broadcast station. Deletes references to telegrams and adds methods for filing, including facsimile transmission and guaranteed overnight delivery. Amended by the author at the request of plaintiffs in Levine v. FPFC to reform the slate mail disclosure statutes at issue in that case. **In Senate. Urgency clause. Commission Position: Sponsor.**

Informational Items			
Two-year Bills Amending the PRA, Elections Code (cont'd)			
Bill No.	Author	Title	Introduced/Amended

SB 641 Brulte Campaign expenditures: telephone advocacy Amended 7/1/03

This bill would change the definition of “mass mailing” found in the Act from “mail” to a specific definition of what items delivered to a person constitute a mass mailing. It also adds language to the act prohibiting the expenditure by a candidate, committee or slate mail organization for anonymous telephone advocacy for a candidate, ballot measure, or referendum. The author accepted an amendment requested by the Commission to maintain a record of the call’s script or in the case of a prerecorded message, a taped copy. This would not apply to telephone calls made by the candidate, campaign manager, or volunteers. The author rejected a Commission sponsored amendment requiring disclosure at the beginning of the call, but took Commission language regarding retention of text or recording of content of message. **Urgency clause. In Assembly Elections. Hearing cancelled at request of the author.**

SB 1072 Burton Political Reform Act: Late Contributions Amended 6/9/03

Adds contributions made to or received by a political party committee after the closing date of the last campaign statement required to be filed before an election to the definition of late contribution. Commission-drafted amendments were taken on 6/9/03. **On Assembly Floor. Failed passage, 46-1. Commission Position: Support.**

SCA 14 Vasconcellos Political Reform Introduced 9-12-03

This bill would establish the FPPC, California Economic Strategy Panel (CESP) and the California Redistricting Commission by constitutional provision. It would establish the Clean Campaign Fund, administered by the FPPC and providing public funds to candidates under certain conditions. It would require the FPPC to license and monitor campaign consultants. It would change voting options and primary election dates. It would increase the numbers of Senators and Members of the Assembly and their terms of office. It would change the voting requirement for General Fund appropriations from a 2/3 vote to a majority vote. It would place additional responsibilities on the CESP. It would make the Legislative Counsel responsible for redistricting, revise redistricting standards and create the CRC for the purpose of advising the Legislative Counsel. **In Senate Rules.**

Final Disposition Items (To be removed from this report next month)			
Bill No.	Author	Title	Introduced/Amended

AB 1501 Levine Voluntary expenditure limits Chaptered 1-22-04

Allows a state candidate to change his or her statement accepting or rejecting the voluntary expenditure limits at any time prior to the deadline for filing nomination papers. The Governor’s signing message requested follow-up legislation to clarify the bill’s intent. That language will be amended into an Assembly Elections Committee (Longville) placeholder bill. Commission staff will advocate for language to prevent candidate suits to modify their choice after the deadline for filing nomination papers. **Signed by the Governor, Chapter 9, Statutes of 2004. Commission Position: Support.**

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Final Disposition Items (To be removed from this report next month) (cont'd)

Bill No.	Author	Title	Introduced/Amended
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SB 467	Johnson	Last-term-officeholder fundraising	Introduced 2/20/03
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Allows an elected state officer serving his or her last term to accept contributions to pay for expenses associated with holding that office. The contributions are subject to Prop. 34 limits. **In Senate**

Elections. Returned to Secretary of Senate pursuant to Joint Rule 56.

SB 733	Johnson	Political Reform Act spot bill	Introduced 2/21/03
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Placeholder measure. **Returned to Secretary of Senate pursuant to Joint Rule 56.**